



DEPARTMENT OF VETERANS AFFAIRS

8230-01

38 CFR Part 9

RIN 2900-AO20

Servicemembers' Group Life Insurance Traumatic Injury Protection Program—
Genitourinary Losses

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: The Department of Veterans Affairs (VA) is issuing this final rule that amends the regulations governing the Servicemembers' Group Life Insurance Traumatic Injury Protection (TSGLI) program by adding certain genitourinary (GU) system losses to the TSGLI Schedule of Losses and defining terms relevant to these new losses. This amendment is necessary to make qualifying GU losses a basis for paying TSGLI benefits to servicemembers with severe GU injuries. The intended effect is to expand the list of losses for which TSGLI payments can be made. This document adopts as a final rule, without change, the interim final rule published in the Federal Register on December 2, 2011.

DATES: Effective Date: This rule is effective [insert date of publication in the FEDERAL REGISTER].

Applicability Date: VA will apply this rule to injuries incurred on or after October 7, 2001.

FOR FURTHER INFORMATION CONTACT: Monica Keitt, Attorney/Advisor,
Department of Veterans Affairs Regional Office and Insurance Center
(310/290B), 5000 Wissahickon Avenue, P.O. Box 8079, Philadelphia, PA 19101,
(215) 842-2000, ext. 2905. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: On December 2, 2011, VA published in the Federal Register (76 FR 75458) an interim final rule that expanded the Servicemembers' Group Life Insurance Traumatic Injury Protection (TSGLI) program to add certain genitourinary (GU) system losses to the TSGLI Schedule of Losses for which a TSGLI benefit is payable. The additional GU losses are being added to the TSGLI program in response to the increase in the number of GU injuries experienced by active duty servicemembers who are insured under TSGLI.

We provided a 60-day comment period that ended on January 31, 2012. We received one comment. The commenter stated that the TSGLI program should be available to all servicemembers and veterans who suffer from GU injuries, not just servicemembers and veterans who have suffered GU injuries since October 7, 2001. We will not make any changes based on this comment. As noted in the interim final rule, Congress authorized TSGLI payments for losses resulting from traumatic injuries incurred on or after October 7, 2001.

Expansion of coverage to include injuries sustained prior to that date would require legislative action.

Based on the rationale set forth in the interim final rule, we adopt the interim final rule without change as a final rule.

Administrative Procedure Act

This document affirms as final, without change, the interim final rule that is already in effect. In accordance with 5 U.S.C. 553(d)(3), the Secretary of Veterans Affairs has concluded that there is good cause to publish this rule with an immediate effective date.

Unfunded Mandates

The Unfunded Mandates Reform Act of 1995 requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may result in an expenditure by State, local, and tribal governments, in the aggregate, or by the private sector of \$100 million or more (adjusted annually for inflation) in any given year. This final rule will have no such effect on State, local, or tribal governments or on the private sector.

Paperwork Reduction Act

This final rule contains no provisions constituting a collection of information under the Paperwork Reduction Act (44 U.S.C. 3501-3521).

Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, and other advantages; distributive impacts; and equity). Executive Order 13563 (Improving Regulation and Regulatory Review) emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. Executive Order 12866 (Regulatory Planning and Review) defines a "significant regulatory action" requiring review by the Office of Management and Budget (OMB) as "any regulatory action that is likely to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in this Executive Order."

VA has examined the economic, interagency, budgetary, legal, and policy implications of this regulatory action and has determined that it is not a significant regulatory action under Executive Order 12866.

Regulatory Flexibility Act

The Secretary of Veterans Affairs hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601 et seq. This final rule will directly affect only individuals and will not directly affect small entities. Therefore, pursuant to 5 U.S.C. 605(b), this rule is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

Catalog of Federal Domestic Assistance Number and Title

The Catalog of Federal Domestic Assistance Program number and title for this regulation is 64.103, Life Insurance for Veterans.

Signing Authority

The Secretary of Veterans Affairs, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. John R. Gingrich, Chief of Staff, Department of Veterans Affairs, approved this document on May 24, 2012, for publication.

List of Subjects in Part 9

Life insurance, Military personnel, Veterans.

Dated: May 29, 2012

Robert C. McFetridge,
Director of Regulation Policy and Management,
Office of the General Counsel,
Department of Veterans Affairs.

Accordingly, the interim final rule amending 38 CFR part 9, which was published at 76 FR 75458 on December 2, 2011, is adopted as a final rule without change.

[FR Doc. 2012-13298 Filed 05/31/2012 at 8:45 am; Publication Date: 06/01/2012]